



Title: I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 05-14, New York State Income Tax Withholding

Date: April 26, 2005

To: Holders of TAXES (State of New York only)
Personnel User Groups
T&A Contact Points in New York

Beginning with wages paid for Pay Period 8, the National Finance Center (NFC) will make the following changes to the state of New York income tax withholdings:

- The Single or Head of Household and Married withholding tables will change.
- The nontaxable flexible spending accounts (health care and dependent care) deductions statement will be added to step 2 on the state tax formula.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to NFC's Home Page (www.nfc.usda.gov) and click **Pubs & Forms**. Then on the Pubs & Forms page left-hand menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes to the tax formula are identified by "►◄".

For questions about NFC processing, contact the Payroll Operations Branch at **504-255-4630**. Please refer questions about system access and other system-related issues to Customer Support at **504-255-5230** or via e-mail at customer.support@usda.gov.

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New York State Income Tax Information

State Abbreviation: NY
State Tax Withholding State Code: 36
Acceptable Exemption Form: IT-2104 or W-4
Basis For Withholding: State Exemptions
Acceptable Exemption Data: S, M / Number of Exemptions
TSP Deferred: Yes
Special Coding: None
Additional Information: None

Withholding Formula ►(Effective Pay Period 8, 2005)◄

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) ►(includes flexible spending account - health care and dependent care deductions)◄ from the amount computed in step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages by 26 to obtain the annual wages.
5. Determine the standard deduction allowance by applying the following guideline and subtract this amount from the annual wages.

Single/Head of Household

\$6,975

Married

\$7,475

6. Determine the exemption allowance by applying the following guideline and subtract this amount from the result of step 5 to compute the taxable income.

Exemption Allowance = \$1,000 x Number of Exemptions

7. Apply the taxable income computed in step 6 to the following table to determine the annual New York tax withholding.

Tax Withholding Table
Single
or
Head of Household

If the Amount of Taxable Income Is:		The Amount of New York State Tax Withholding Should Be:		
Over:	But Not Over:			Of Excess Over:
\$ 0	\$ 8,000	\$ 0	plus 4.00%	\$ 0
8,000	11,000	320	plus 4.50%	8,000
11,000	13,000	455	plus 5.25%	11,000
13,000	20,000	560	plus 5.90%	13,000
20,000	90,000	973	plus 6.85%	20,000
90,000	100,000	5,768	plus 7.64%	90,000
100,000	150,000	▶6,532	plus 8.54%	100,000
150,000	200,000	10,802	plus 8.55%	150,000
200,000	500,000	15,077	plus 7.75%	200,000
500,000	and over	38,327	plus 8.20%	500,000◀

Married

If the Amount of Taxable Income Is:		The Amount of New York State Tax Withholding Should Be:		
Over:	But Not Over:			Of Excess Over:
\$ 0	\$ 8,000	\$ 0	plus 4.00%	\$ 0
8,000	11,000	320	plus 4.50%	8,000
11,000	13,000	455	plus 5.25%	11,000
13,000	20,000	560	plus 5.90%	13,000
20,000	90,000	973	plus 6.85%	20,000
90,000	100,000	5,768	plus 7.64%	90,000
100,000	150,000	6,532	plus 8.14%	100,000
150,000	200,000	▶10,604	plus 8.95%	150,000
200,000	500,000	15,077	plus 7.75%	200,000
500,000	and over	38,327	plus 8.20%	500,000◀

8. Divide the annual New York tax withholding by 26 to obtain the biweekly New York tax withholding.